

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

RECEIVED

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AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-01654A
Farmers Water Co.
P. O. Box 7
Sahuarita AZ 856290007

ANNUAL REPORT

FOR YEAR ENDING

09	30	2003
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FOR COMMISSION USE

Ann04	03
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COMPANY INFORMATION

Company Name (Business Name) <u>FARMERS WATER CO.</u>			
Mailing Address <u>P.O. BOX 7 (1525 E. SAHUARITA RD.)</u>			
<u>SAHUARITA</u> (City)		<u>ARIZONA</u> (State)	<u>85629</u> (Zip)
<u>520-791-2852</u> Telephone No. (Include Area Code)	<u>520-791-2853</u> Fax No. (Include Area Code)	<u>N/A</u> Pager/Cell No. (Include Area Code)	
Email Address <u>N/A</u>			
Local Office Mailing Address <u>P.O. BOX 7 (1525 E. SAHUARITA RD.)</u>			
<u>SAHUARITA</u> (City)		<u>ARIZONA</u> (State)	<u>85629</u> (Zip)
<u>520-791-2852</u> Local Office Telephone No. (Include Area Code)	<u>520-791-2853</u> Fax No. (Include Area Code)	<u>N/A</u> Pager/Cell No. (Include Area Code)	
Email Address <u>N/A</u>			

MANAGEMENT INFORMATION

Management Contact: <u>WARREN E. CULBERTSON</u>		<u>CEO</u>	
<u>1525 E. SAHUARITA RD.</u> (Street)		<u>SAHUARITA</u> (City)	<u>ARIZONA</u> (State)
<u>520-879-7473</u> Telephone No. (Include Area Code)		<u>520-791-2853</u> Fax No. (Include Area Code)	<u>85629</u> (Zip)
<u>520-400-2111</u> Pager/Cell No. (Include Area Code)			
Email Address <u>N/A</u>			
On Site Manager: <u>JOHN (JACK) MILLER</u>			
<u>1525 E. SAHUARITA RD.</u> (Street)		<u>SAHUARITA</u> (City)	<u>ARIZONA</u> (State)
<u>520-879-7474</u> Telephone No. (Include Area Code)		<u>520-791-2853</u> Fax No. (Include Area Code)	<u>85629</u> (Zip)
<u>520-444-7820</u> Pager/Cell No. (Include Area Code)			
Email Address <u>N/A</u>			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: T. PATRICK GRIFFIN

(Name)

1 SOUTH CHURCH AVE

(Street)

TUCSON

(City)

ARIZONA

(State)

85701

(Zip)

520-792-3836

Telephone No. (Include Area Code)

520-624-5080

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: SAME AS ABOVE

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☒ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	-	-	-
302	Franchises	6,893	-	6,893
303	Land and Land Rights	-	-	-
304	Structures and Improvements	16,000	10,147	5,853
307	Wells and Springs	172,410	85,369	87,041
311	Pumping Equipment	160,570	101,854	58,716
320	Water Treatment Equipment	10,550	8,091	2,459
330	Distribution Reservoirs and Standpipes	451,289	285,642	165,647
331	Transmission and Distribution Mains	2,570,217	612,656	1,957,561
333	Services	323,170	60,419	262,751
334	Meters and Meter Installations	121,298	50,717	70,581
335	Hydrants	146,881	26,498	120,383
336	Backflow Prevention Devices	-	-	-
339	Other Plant and Misc. Equipment	-	-	-
340	Office Furniture and Equipment	14,440	13,683	757
341	Transportation Equipment	19,247	18,483	764
343	Tools, Shop and Garage Equipment	-	-	-
344	Laboratory Equipment	-	-	-
345	Power Operated Equipment	-	-	-
346	Communication Equipment	-	-	-
347	Miscellaneous Equipment	-	-	-
348	Other Tangible Plant	-	-	-
	TOTALS	4,012,965	1,273,559	2,739,405

This amount goes on the Balance Sheet Acct. No. 108

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	-	-	-
302	Franchises	6,893	-	-
303	Land and Land Rights	-	-	-
304	Structures and Improvements	16,000	4.0%	640
		11,854	0.0%	-
307	Wells and Springs	160,556	4.0%	6,422
		12,673	10.0%	1,267
311	Pumping Equipment	147,897	4.0%	5,916
		3,490	0.0%	-
320	Water Treatment Equipment	6,000	4.0%	240
		1,060	20.0%	212
		6,700	10.0%	-
330	Distribution Reservoirs and Standpipes	6,835	6.7%	456
		437,754	4.0%	17,510
		13,347	0.0%	-
331	Transmission and Distribution Mains	27,188	3.7%	1,007
		2,529,682	4.0%	94,885
333	Services	323,170	4.0%	12,264
		11,037	0.0%	-
334	Meters and Meter Installations	20,801	4.0%	832
		89,460	10.0%	8,946
335	Hydrants	146,881	4.0%	5,875
336	Backflow Prevention Devices	-	-	-
		8,948	-	-
339	Other Plant and Misc. Equipment	5,492	22.8%	1,010
		13,747	0.0%	-
340	Office Furniture and Equipment	5,500	33.3%	1,832
341	Transportation Equipment	-	-	-
343	Tools, Shop and Garage Equipment	-	-	-
344	Laboratory Equipment	-	-	-
345	Power Operated Equipment	-	-	-
346	Communication Equipment	-	-	-
347	Miscellaneous Equipment	-	-	-
348	Other Tangible Plant	-	-	-
	TOTALS	4,012,965		159,313

This amount goes on Comparative Statement of Income and Expense
Acct. No. 403.

COMPANY NAME	FARMERS WATER CO	09/30/03
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BALANCE SHEET

09/30/02

09/30/03

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ (33,526)	\$ (19,694)
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	34,781	36,779
146	Notes/Receivables from Associated Companies	670,858	695,518
151	Plant Material and Supplies		
162	Prepayments	150	4,845
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 672,263	\$ 717,448
	FIXED ASSETS		
101	Utility Plant in Service	\$ 3,779,484	\$ 4,012,967
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(1,111,795)	(1,273,559)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 2,667,689	\$ 2,739,408
	TOTAL ASSETS	\$ 3,339,952	\$ 3,456,857

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

09/30/01

09/30/02

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
		\$ 15,748	\$ 10,611
231	Accounts Payable		
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	15,420	17,482
	TOTAL CURRENT LIABILITIES	\$ 31,168	\$ 28,093
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	2,780,203	3,128,195
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	518,171	379,773
272	Less: Amortization of Contributions	(35,607)	(51,396)
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 3,262,767	\$ 3,456,572
	TOTAL LIABILITIES	\$ 3,293,935	\$ 3,484,664
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 2,500	\$ 2,500
211	Paid in Capital in Excess of Par Value	497,500	497,500
215	Retained Earnings	(453,983)	(527,807)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 46,017	\$ (27,807)
	TOTAL LIABILITIES AND CAPITAL	\$ 3,339,952	\$ 3,456,857

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

09/30/02

09/30/03

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 393,948	\$ 409,128
460	Unmetered Water Revenue	55	0
474	Other Water Revenues	8,917	10,067
	TOTAL REVENUES	\$ 402,920	\$ 419,196
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 107,056	\$ 112,323
610	Purchased Water		
615	Purchased Power	19,615	30,200
618	Chemicals		
620	Repairs and Maintenance	10,406	156,219
621	Office Supplies and Expense	13,823	11,797
630	Outside Services	6,000	8,445
635	Water Testing	7,304	10,656
641	Rents		
650	Transportation Expenses	1,761	3,088
657	Insurance – General Liability		
659	Insurance - Health and Life	18,734	22,160
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	5,840	6,976
403	Depreciation Expense /Amortization	140,746	110,368
408	Taxes Other Than Income		
408.11	Property Taxes	22,728	20,788
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 354,013	\$ 493,020
	OPERATING INCOME/(LOSS)	\$ 48,907	\$ (73,824)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$	\$
	NET INCOME/(LOSS)	\$ 48,907	\$ (73,824)

COMPANY NAME

FARMERS WATER CO

09/30/03

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	NONE			
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 0

Meter Deposits Refunded During the Test Year

\$ 0

WATER COMPANY PLANT DESCRIPTION**WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-534922 (S-52A)	30	150	1500	8	4	1993
55-624001 (S-52)	125	750	1200	14 / 12	8	1974
55-624012 (E-5A)	75	750	520	16	8	1959
55-624011 (E-3A)	125	1100	1100	18/16 14/10	8	1975
55-624025 (W-11)	200	2200	1186	18 / 16	12	1974
55-624028 (NP-2)	10	35	375	16	2	1977

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
55-543409 (Golf Course/Back-Up)	1000	0

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
1	1	205	
3	1		
15	6		
25	2		
30	3		
50	2		
60	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
1,000,000 Gallons	2	5,000 Gallons	6
17,500 Gallons	2	10,000 Gallons	1
8,000 Gallons	1		

WATER COMPANY PLANT DESCRIPTION (CONTINUED)**MAINS**

Size (in inches)	Material	Length (in feet)
2	IRON	4357
3	IRON	3379
4	IRON	3657
5		
6	IRON	1341
8	IRON	150
10		
12	IRON	533
4	PVC	17476
6	PVC	35420
8	PVC	43434
12	PVC	19977
16	PVC	600
4	ACP	2727
6	ACP	2835
12	ACP	2723

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	1330
3/4	79
1	51
1 1/2	15
2	39
Comp. 3	2
Turbo 3	
Comp. 4	1
Tubo 4	1
Comp. 6	1
Tubo 6	1

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

FOUR (4) CHLORINE TABLET INJECTION STATIONS

STRUCTURES:

312 SQUARE FEET OF STORAGE AND WORK SHEDS; 1476' of 6" CHAIN LINK
FENCING

OTHER:

ONE (1) FORD F-150 PICK-UP; ONE (1) TOYOTA PICK-UP; ONE (1) FORD
CROWN VICTORIA; MISCELLANEOUS TOOLS; SPARE PIPE; PIPE FITTINGS;
METERS AND VALVES

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2003

NP2

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	19	186,500	164,100
FEBRUARY	19	122,220	120,600
MARCH	19	117,540	115,400
APRIL	19	245,550	240,800
MAY	19	330,690	323,400
JUNE	19	401,310	393,200
JULY	19	426,940	419,400
AUGUST	19	210,560	206,100
SEPTEMBER	19	325,330	320,900
OCTOBER	20	339,870	399,600
NOVEMBER	19	196,240	218,900
DECEMBER	19	180,940	176,700
TOTAL		N/A	3,099,100

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☒ Yes☐ No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

☐ Yes☒ No

If yes, provide the GPCPD amount: N/A

What is the level of arsenic for each well on your system. .0018 mg/l

(If more than one well, please list each separately)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2003

W11

PWS 10213

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	1131	6,980,260	7,384,000
FEBRUARY	1140	6,487,196	6,463,000
MARCH	1154	5,929,720	6,051,000
APRIL	1173	8,517,210	9,067,000
MAY	1163	7,570,151	8,017,000
JUNE	1168	7,631,439	8,925,000
JULY	1184	9,522,195	9,797,000
AUGUST	1189	6,918,440	6,925,000
SEPTEMBER	1202	7,005,400	7,125,000
OCTOBER	1212	8,369,971	9,631,000
NOVEMBER	1219	7,068,379	7,684,000
DECEMBER	1218	8,086,470	8,734,000
TOTAL			95,803,000

Is the Water Utility located in an ADWR Active Management Area (AMA)?

(☒) Yes

(☐) No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

(☐) Yes

(☒) No

If yes, provide the GPCPD amount: N/A

What is the level of arsenic for each well on your system. G.C. .0110
W-11 .0058 mg/l

(If more than one well, please list each separately)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2003**E5A****PWS 10049**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	275	4,737,937	4,925,694
FEBRUARY	284	3,976,044	4,019,796
MARCH	291	4,102,671	4,718,649
APRIL	291	6,015,595	7,426,959
MAY	295	7,063,127	9,051,065
JUNE	301	7,944,913	11,922,432
JULY	308	8,189,731	11,512,740
AUGUST	301	5,883,847	8,648,118
SEPTEMBER	305	6,346,530	8,021,702
OCTOBER	308	5,603,970	8,635,801
NOVEMBER	306	5,292,116	7,400,272
DECEMBER	312	5,612,770	6,284,688
TOTAL		N/A	92,567,916

Metered Not Billed (Irrigation/Flushing)**16,618,401**

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☒ Yes☐ No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

☐ Yes☒ NoIf yes, provide the GPCPD amount: N/AWhat is the level of arsenic for each well on your system. E-3A .0074
E-5A .0047 mg/l*(If more than one well, please list each separately)****Note: If you are filing for more than one system, please provide separate data sheets for each system.***

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2003**S52****PWS 10048**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	89	2,268,020	2,549,991
FEBRUARY	90	2,201,110	2,765,628
MARCH	88	2,012,980	2,266,522
APRIL	89	2,775,950	3,148,763
MAY	91	2,962,960	3,305,335
JUNE	90	3,456,910	3,702,710
JULY	91	3,591,200	3,879,615
AUGUST	90	3,001,740	2,864,019
SEPTEMBER	89	2,247,790	2,143,007
OCTOBER	90	2,803,490	3,211,457
NOVEMBER	90	2,037,210	2,354,599
DECEMBER	90	2,129,350	2,411,297
TOTAL		N/A	34,602,943

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☒ Yes☐ No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

☐ Yes☒ No

If yes, provide the GPCPD amount: N/A

What is the level of arsenic for each well on your system. S-52A .0037
S-52 .0029 mg/l*(If more than one well, please list each separately)****Note: If you are filing for more than one system, please provide separate data sheets for each system.***

COMPANY NAME FARMERS WATER CO YEAR ENDING 9/30/03

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2003 was: \$ \$20,693 (Fiscal Year)
\$22,253 (Calendar Year)

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

VENDOR ID	NAME	PAYMENT NUMBER	CHECK DATE	13001098	
BETH001	BETH FORD	00000000000000299	11/1/2002		
INVOICE /	DATE	DESCRIPTION	GROSS AMOUNT	AMOUNT PAID	
9096300009✓	10/1/2002	1ST HALF 2002 TAXES	\$10,280.51	\$10,280.51	
3041894308✓	10/1/2002	1ST HALF 2002 TAXES	\$12.64	\$12.64	
3041894205✓	10/1/2002	1ST HALF 2002 TAXES	\$12.64	\$12.64	
3041893907✓	10/1/2002	1ST HALF 2002 TAXES	\$14.80	\$14.80	
30418092FT✓	10/1/2002	1ST HALF 2002 TAXES	\$12.64	\$12.64	
30418092GO✓	10/1/2002	1ST HALF 2002 TAXES	\$12.64	\$12.64	
30418097D8✓	10/1/2002	1ST HALF 2002 TAXES	\$12.64	\$12.64	
30418098EO✓	10/1/2002	1ST HALF 2002 TAXES	\$14.80	\$14.80	
30418098F9✓	10/1/2002	1ST HALF 2002 TAXES	\$14.80	\$14.80	
30418098G8✓	10/1/2002	1STHALF 2002 TAXES	\$14.80	\$14.80	
30465735B5✓	10/1/2002	1ST HALF 2002 TAXES	\$9.22	\$9.22	
COMMENT			Stub Totals:	\$10,412.13	\$10,412.13

FARMERS WATER CO.

P.O. Box 7
Sahuarita, AZ 85629-0007

Wells Fargo Bank Ohio, N.A.

56-382
412

13001098

DATE

AMOUNT

11/1/2002

PAY

Ten Thousand Four Hundred Twelve Dollars And 13 Cents

\$

*****10,412.13

CHECKS FOR AMOUNTS OVER \$5,000
REQUIRE 2 SIGNATURES



TO THE
ORDER
OF

BETH FORD
PIMA COUNTY TREASURER
115 N CHURCH AVENUE
TUCSON AZ 85701-1199

BY

MP

NON-NEGOTIABLE

BY

MP

AUTHORIZED SIGNATURES

13001098

VENDOR ID	NAME	PAYMENT NUMBER	CHECK DATE	13001320	
BETH001	BETH FORD	00000000000000539	11/3/2003		
INVOICE #	DATE	DESCRIPTION	GROSS AMOUNT	AMOUNT PAID	
9096300009	10/1/2003	1ST HALF 2003 TAXES	\$11,842.56	\$11,842.56	
30418097D8	10/1/2003	1ST HALF 2003 TAXES	\$12.40	\$12.40	
30418098E0	10/1/2003	1ST HALF 2003 TAXES	\$14.60	\$14.60	
30418098F9	10/1/2003	1ST HALF 2003 TAXES	\$14.60	\$14.60	
30418098G8	10/1/2003	1ST HALF 2003 TAXES	\$14.60	\$14.60	
30418092G0	10/1/2003	1ST HALF 2003 TAXES	\$12.40	\$12.40	
30418092F1	10/1/2003	1ST HALF 2003 TAXES	\$12.40	\$12.40	
3041894308	10/1/2003	1ST HALF 2003 TAXES	\$12.40	\$12.40	
3041894205	10/1/2003	1ST HALF 2003 TAXES	\$12.40	\$12.40	
3041893907	10/1/2003	1ST HALF 2003 TAXES	\$14.60	\$14.60	
30465735B5	10/1/2003	1ST HALF 2003 TAXES	\$9.34	\$9.34	

COMMENT

Stub Totals: \$11,972.30 \$11,972.30

FARMERS WATER CO.

P.O. Box 7

Sahuarita, AZ 85629-0007

Wells Fargo Bank Ohio, N.A.

56-382
412

13001320

DATE

AMOUNT

11/3/2003

PAY

Eleven Thousand Nine Hundred Seventy Two Dollars And 30 Cents

\$

*****11,972.30

CHECKS FOR AMOUNTS OVER \$5,000
REQUIRE 2 SIGNATURESTO THE
ORDER
OFBETH FORD
PIMA COUNTY TREASURER
P O BOX 98765
PHOENIX AZ 85038-0765

BY

MP

NON-NEGOTIABLE

BY

MP

AUTHORIZED SIGNATURES

000

0.00T

000

0.00T

11,842.56+

12.40+

14.60+

14.60+

14.60+

12.40+

12.40+

12.40+

14.60+

9.34+

011

11,972.30T

000

0.00T

13001320

COMPANY NAME FARMERS WATER CO

YEAR ENDING 9/30/03

INCOME TAXES

RECEIVED

MAR 30 2004

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

For this reporting period, provide the following:

Federal Taxable Income Reported
Estimated or Actual Federal Tax Liability

NOT APPLICABLE AS TAX RETURNS
ARE FILED AS MEMBER OF A CONSOLIDATED
GROUP WITH FARMERS INVESTMENT CO.

State Taxable Income Reported
Estimated or Actual State Tax Liability

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>274,913.00</u>
Amount of Gross-Up Tax Collected	<u>--</u>
Total Grossed-Up Contributions/Advances	<u>274,913.00</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Warren E. Culbertson
SIGNATURE

3/25/04
DATE

WARREN E. CULBERTSON
PRINTED NAME

CEO
TITLE

REVENUE RECONCILIATION
FISCAL YEAR TO CALENDAR YEAR

FISCAL YEAR OPERATING REVENUE 10/1/02 - 9/30/03 AS REPORTED ON PAGE 7	419,196
LESS: REVENUE 10/1/02 - 12/31/02	(96,416)
ADD: REVENUE 10/1/03 - 12/31/03	104,601
SALES TAX MONIES BILLED 1/1/03 - 12/31/03	<u>22,413</u>
	<u>449,793</u>

VENDOR ID	NAME	PAYMENT NUMBER	CHECK DATE	13001187	
BETH001	BETH FORD	00000000000000397	5/1/2003		
INVOICE #	DATE	DESCRIPTION	GROSS AMOUNT	AMOUNT PAID	
9096300009	10/1/2002	2ND HALF 2002 TAXES	\$10,280.51	\$10,280.51	
COMMENT			Stub Totals:	\$10,280.51	\$10,280.51

FARMERS WATER CO.P.O. Box 7
Sahuarita, AZ 85629-0007

Wells Fargo Bank Ohio, N.A.

56-382
412

13001187

DATE

5/1/2003

AMOUNT

PAY Ten Thousand Two Hundred Eighty Dollars And 51 Cents

\$ *****10,280.51

CHECKS FOR AMOUNTS OVER \$5,000
REQUIRE 2 SIGNATURESTO THE
ORDER
OF
BETH FORD
PIMA COUNTY TREASURER
115 N CHURCH AVENUE
TUCSON AZ 85701-1199BY _____ MP
NON-NEGOTIABLE
BY _____ MP
AUTHORIZED SIGNATURES

13001187

RECEIVED

MAR 30 2004

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
<u>PIMA</u>
NAME (OWNER OR OFFICIAL) TITLE
<u>WARREN E. CULBERTSON, CEO</u>
COMPANY NAME
<u>FARMERS WATER CO.</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

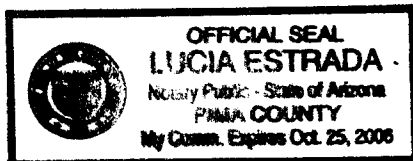
FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2003</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2003 WAS:



Arizona IntraState Gross Operating Revenues Only (\$)

\$ 449,793

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 23,665
IN SALES TAXES BILLED, OR COLLECTED

**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 25th DAY OF

(SEAL)

MY COMMISSION EXPIRES 10/25/06

Warren E. Culbertson
SIGNATURE OF OWNER OR OFFICIAL
520-791-2852
TELEPHONE NUMBER

COUNTY NAME	<u>Pima</u>	
MONTH	<u>march</u>	<u>2004</u>
<u>Lucia Estrada</u> SIGNATURE OF NOTARY PUBLIC		

RECEIVED

MAR 30 2004

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME)	PIMA
NAME (OWNER OR OFFICIAL) WARREN E. CULBERTSON	TITLE CEO
COMPANY NAME FARMERS WATER CO.	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2003 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 322,530

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 17,060
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

Warren E. Culbertson
SIGNATURE OF OWNER OR OFFICIAL

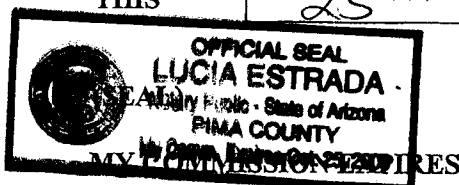
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

25th

DAY OF



NOTARY PUBLIC NAME	Lucia Estrada
COUNTY NAME	Pima
MONTH	March
	20 04

X *Lucia Estrada*
SIGNATURE OF NOTARY PUBLIC

10/25/06